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FOREIGN CROPS AND MARKETS

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L A T E C A B L E S . . .

Bulgaria preliminary estimates of 1938 winter grain crops reported as follows, with 1937 comparisons in parentheses: Wheat 64,043,000 bushles (63,991,000), rye 9,251,000 (9,133,000), barley 13,595,000 bushels (14,008,000). (International Institute of Agriculture, Rome.)

Poland 1938 acreage of specified crops estimated as follows, with comparable figures for 1937 in parentheses: Winter wheat 3,633,000 acres (3,589,000), spring wheat 580,000 (593,000), rye 14,531,000 (14,141,000), barley 3,018,000 (3,046,000), oats 5,709,000 acres (5,671,000). (International Institute of Agriculture, Rome.)

Crop conditions in United Kingdom and Ireland on June 1 generally good; area sown to wheat in England and Wales expected to exceed that of 1937, and barley acreage to be slightly larger than last year. (International Institute of Agriculture, Rome.)

Scotland area sown for 1938 crops estimated as follows, with 1937 comparisons in parentheses: Wheat 100,000 acres (100,000), barley 85,000 (81,000), oats 815,000 acres (819,000). (International Institute of Agriculture, Rome.)

Japanese Government has announced abolition of price and quota control in cotton industry, effective July 1, but use of mixed fiber for domestic consumption and import permit control are to be continued. Cloth exports to areas using Japanese currency will probably be drastically curtailed. (Owen L. Dawson, Agricultural Commissioner, Shanghai, quoting American Consul General George A. Makinson at Osaka.)

Egypt final estimate of cotton production in 1937-38 placed at 2,281,000 bales of 478 pounds each compared with 1,887,000 bales in 1936-37. (International Institute of Agriculture, Rome.)

Brisbane, Australia, wool sales opened June 20 with good average selection and keen competition. Chief buyers were from Japan and continental Europe. Compared with closing of preceding series on June 16, prices for good merinos ruled in sellers' favor. Other descriptions were firm. Sales closed June 23, with prices for average descriptions par to 5 percent higher, other descriptions firm. (Agricultural Attaché C. C. Taylor, London.)

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The oriental wheat situation

The 1938 wheat crop of China, Manchuria, and Japan, estimated by the Shanghai office of the Bureau of Agricultural Economics at 730 million bushels, is approximately the same as the short crop of 1937 but considerably smaller than the 1932-1936 average. The Chinese crop is placed at 640 million bushels, or the same as in 1937; the Manchurian outturn is estimated at 42 million bushels, as compared with 41 million last season; while a slightly smaller crop than last year's record production of 50,410,000 bushels is expected in Japan. Despite the small wheat crop in the Orient it is expected that depressed economic conditions and foreign-exchange difficulties will restrict imports of wheat and flour from nonoriental countries during 1938-39. It is believed that they will not attain the volume of 1937-38 estimated, in terms of grain, at only 6 million bushels.

Disrupted transportation facilities in China have made the marketing of wheat difficult, and deliveries at important centers are below normal for this season. Practically no foreign wheat has been imported during 1937-38, and prospects for imports in the new marketing year are not bright. The demand for foreign flour is expected to be relatively strong. Japan will probably continue to ship large amounts into North China, but some imports from the United States, Canada, and Australia may be made into South China. Total flour imports into China this season are expected to reach over 2 million barrels, mostly of Japanese and Manchurian origin. In 1936-37 only 280 thousand barrels were imported.

The carry-over of Manchurian wheat into the new marketing year is expected to be low as a result of increased domestic consumption during 1937-38, larger exports to Japan, shipments of flour to North China, and smaller imports of flour. In order to check rising prices of flour, the duty on flour imports has been temporarily removed, but all imports, except those from Japan, have been prohibited since last December. During the coming season prices of flour are to be regulated by the Government, and it is reported that Japan will subsidize exports to Manchuria.

Japan has been a net importer of wheat, including flour as grain, for several decades but during 1937-38 has become a net exporter by about 7 million bushels. Total wheat and flour imports into Japan, in terms of grain, are not expected to exceed 4,850,000 bushels as compared with a total of 7,789,000 bushels in 1936-37. Exports of flour, however, resulting largely from heavy shipments to North China, may total as much as 2,600,000 barrels, as compared with 985,000 barrels in 1936-37. Flour exports from July 1, 1937, through April 1938 amounted to 2,359,000 barrels.

Japan: Imports of wheat by countries of origin and total exports of flour, April 1938, with comparisons

Country and item	April		July-April	
	1937	1938	1936-37	1937-38
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Imports of wheat				
United States.	-	-	129	42
Canada.....	209	-	2,321	629
Australia.....	95	-	2,273	1,656
Argentina.....	38	-	371	128
China.....	13	-	751	6
Manchuria.....	79	214	1,017	1,127
Others.....		-		
Total.....	432	214	6,862	3,648
	1,000 barrels	1,000 barrels	1,000 barrels	1,000 barrels
Exports of flour	77	230	863	2,359

Shanghai office, Bureau of Agricultural Economics.

Spring sowings and crop prospects in the Soviet Union

Sowings in the Soviet Union at the end of May were being completed in the northern and central regions, some of which were backward this year. The spring-sowing plan for all crops for the country as a whole was fulfilled by May 31 to the extent of 97 percent.

The Berlin office of the Bureau of Agricultural Economics reports that spring sowings have followed a rather irregular course this season. Sowings started early and progressed quite favorably during the second half of March. They fell considerably behind those of previous years during April, which is a very important seeding month, but picked up again in early May. The acreage sown by April 15, which is generally considered a good index date for timely sowings, was around 25 percent below that of a year earlier. The delay in seeding was partly accounted for by unfavorable weather conditions. But other factors also contributed. Recent decrees to halt wholesale exclusion of peasants from collectives, to secure a better distribution of income among members of collectives, and to increase the tax burden on individual (independent) peasant farmers indicate that an atmosphere unfavorable to normal development of all phases of current work has prevailed in the Soviet Union for many months.

It seems significant that sowings this year were made not only at a later date than a year ago in a considerable number of regions but that, in several cases, they took place after the expiration of the optimum sowing dates. The progress of sowings was least satisfactory in

the nonblack-soil regions of the Union, in the Volga regions, and, to a certain extent, in the southern regions. On the other hand, sowings in Siberia and Kasakstan, owing to an early spring there, are much ahead and have contributed greatly to offset the backwardness in the European section of the Union.

Practically all Soviet comments indicate good grain-crop prospects this year, as a result of favorable weather conditions after sowing. The agro-meteorological section of the Central Weather Bureau stated on May 21 that the past 30 days with warm weather and rains had been favorable to progress of winter crops, which were reported to be better than at the same time a year earlier in most regions of the Union (the Moscow, Kalinin, and Leningrad regions are the only exceptions mentioned). The condition of spring crops also was reported good. Later reports have been of the same tenor.

Despite the generally favorable official and Soviet press reports, however, there appear to be several unfavorable factors in the crop situation, especially with regard to spring crops. In the first place, spring sowings showed a considerable lag during the important month of April. This was true in practically all regions of European Russia, including those where early and short periods of seedings are normally an important prerequisite for good yields.

In addition, it appears (on the basis of available daily weather charts) that even though some regions received abundant rainfall, other regions must have a deficiency of moisture. This is particularly true of the southeastern regions of the Union, including the northern section of former North Caucasus and of the Volga regions, as well as of the southeastern Ukrainian steppes. These sections are important wheat producers, much winter wheat being grown in the Ukrainian and North Caucasian steppes, and spring wheat being an important crop in the Volga regions.

Netherlands contemplates defensive grain system

Plans are underway in the Netherlands for the establishment of a system for the maintenance of at least a 2-months' supply of grain, according to reports received from the American Embassy at The Hague. Under the plan, the Netherlands would keep on hand at all times approximately 350,000 metric tons (approximately 385,000 short tons) of grain in excess of actual requirements. This grain would be stored mainly at Rotterdam and Amsterdam. Grain importers and dealers would be held responsible for the actual maintenance of the stocks by a requirement that they carry stocks at all times equal to at least their normal requirements for 2 months.

At present the plan provides for the establishment of two committees, one for grain for human consumption and the other for grain for

livestock feed. Sufficient legislative authority to put the plan into operation is contained in the various agricultural crisis measures enacted in recent years. No decision has yet been reached as to how the plan is to be financed. The most favored solution thus far considered is to increase the monopoly fee on grains, using the money thus obtained to defray costs.

Chinese cotton crop greatly reduced

A preliminary estimate places the 1938 cotton crop in China and Manchuria at 2,200,000 bales of 478 pounds, as compared with 3,600,000 for 1937 and 3,100,000 bales for the 1932-1936 average, according to a radiogram received from Agricultural Commissioner Owen L. Dawson at Shanghai. The large decline expected this year is the result of a heavy reduction in planted acreage. In North China it is estimated that the planted acreage is around 50 percent below last season's harvested acreage. In all major cotton-growing districts the acreage has declined because of the military disturbances, which have contributed to the low prices received for last year's crop, the large stocks of cotton still on hand in the interior, and the desire to raise food crops. While the Japanese have been making plans for larger cotton crops in North China, their efforts thus far have not prevented a large decline in the 1938 acreage. In Manchuria, however, it is estimated that the cotton acreage is about 15 percent above that of last year.

The Shanghai office estimates that cotton exports from China for the 1937-38 (October-September) marketing year will equal 370,000 bales, as compared with 182,000 bales for the 1936-37 season. Japan is the principal destination of the exports from China.

Imports into China (excluding Manchuria), on the other hand, for the 7 months from October through April of the current season have amounted to only about 10,000 bales of 478 pounds each. No important bookings of foreign cotton seem likely for some time, because of the large carry-over of Chinese cotton and the restricted mill consumption.

Cotton mill activity in China during May continued at about 50 percent of capacity, as compared with nearly 100 percent a year earlier. For the 1937-38 season the Shanghai office has forecast the cotton consumption by commercial mills at approximately 1,300,000 bales of 478 pounds, as compared with about 2,600,000 bales for the 1936-37 marketing season.

The provisional government set up in China by the Japanese army considerably reduced the import duty on piece goods, effective June 1. The new rate is expected to result in some increase in imports of piece goods from Japan.

CHINA: Imports of raw cotton, April 1938, with comparisons
(In bales of 500 pounds)

Growth	April		October-April	
	1937	1938	1936-37	1937-38
	Bales	Bales	Bales	Bales
American.....	2,073	4	10,752	1
Indian.....	1,363	2,606	7,332	7,434
Egyptian.....	1,919	147	19,638	441
Others.....	1,555	306	16,672	1,792
Total.....	6,910	3,059	54,394	9,668

Shanghai office, Bureau of Agricultural Economics.

Palestine citrus exports to United Kingdom in 1937-38 declined

Total imports of citrus fruit into the United Kingdom from Palestine amounted to around 7 million boxes in 1937-38 compared with the record imports of 7.75 million boxes in 1936-37, according to the Weekly Fruit Intelligence Notes. Imports in 1937-38 were made up of 6 million boxes of oranges and 1 million boxes of grapefruit.

Apple exports from Canada increase during 1937-38

Exports of apples from Canada during the 1937-38 season (July through May) totaled 6,725,000 bushels compared with a total of 4,519,000 bushels the preceding season. The United Kingdom took 6,193,000 bushels, or 98 percent of the total. Germany was the second principal market, followed by South Africa.

CANADA: Exports of apples, by principal countries of destination and provinces of origin, crop year, 1937-38

Country	British Columbia	Nova Scotia	Other Provinces	Total
	Bushels	Bushels	Bushels	Bushels
United Kingdom.....	2,353,392	3,592,800	246,681	6,192,873
Germany.....	95,145	280,920	6,603	382,668
France.....	18,144	0	0	18,144
Sweden.....	501	0	0	501
Total Europe.....	2,467,182	3,873,720	253,284	6,594,186
United States.....	7,536	186	1,947	9,669
South Africa.....	41,751	0	0	41,751
Newfoundland.....	2,313	18,216	0	20,529
West Indies.....	3,573	12,186	0	15,759
Argentina.....	14,364	0	0	14,364
Brazil.....	12,852	0	0	12,852
Egypt.....	6,051	0	0	6,051
Others.....	9,588	294	0	9,882
Total.....	2,565,210	3,904,602	255,231	6,725,043

Compiled from an official report of the Fruit Branch, Department of Agriculture, Ottawa.

WHEAT: Closing Saturday prices of July futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg a/		Liverpool a/		Buenos Aires b/	
	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High c/..	130	83	125	78	142	92	145	116	154	103	126	d/ 99
Low c/..	106	69	103	65	115	75	114	90	124	85	110	d/ 84
May 28..	113	69	110	65	126	75	123	90	140	86	122	81
June 4...	107	72	105	69	119	81	115	103	132	89	120	79
11..	106	79	104	76	121	88	115	104	124	95	112	84
18..	107	77	103	72	126	87	120	106	126	97	112	84

a/ Conversions at noon buying rate of exchange. b/ Prices are of day previous to other prices. c/ April 1 to June 18, 1938, and corresponding dates for 1937.

d/ June and July futures.

WHEAT: Weekly weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk. N. Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle a/	
	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High b/..	146	91	144	87	170	116	164	101	145	86	122	82
Low b/..	123	75	123	70	136	95	109	75	123	70	110	68
May 28..	131	79	130	77	146	101	128	84	132	74	115	73
June 4..	124	75	127	70	139	95	117	75	125	70	110	68
11..	123	84	123	78	136	102	110	88	123	73	110	71
18..	124	91	124	87	144	116	109	98	124	83	112	

a/ Weekly average of daily cash quotations, basis No. 1 sacked. b/ April 9 to June 18, 1938, and corresponding dates for 1937.

WHEAT: Price per bushel at specified European markets, 1936-37 and 1937-38

Year beginning July	Range	Rotterdam				Berlin c/ Domestic	England and Wales
		Hard Winter No. 2	Manitoba No. 3	Argentina a/	Australia b/		
		Cents	Cents	Cents	Cents	Cents	Cents
1936-37 d/..	High	e/ 154	165	150	150	233	135
	Low	e/ 101	99	99	100	209	91
1937-38 d/..	High	e/ 148	160	146	149	225	132
	Low	e/ 88	116	95	93	208	101
Week ended							
May 12...		e/ 104	124	106	106	222	107
19...		e/ 96	123	104	103	222	106
26...		e/ 93	122	102	100	221	106
June 2...		e/ 88	116	95	93	222	106

Prices in England and Wales are for week ending Saturday. Conversions made at current exchange rates. a/ Barusso. b/ F.A.Q. c/ Producer's fixed price from August 16, 1934. d/ July 1 to date. e/ Nominal.

**FEED GRAINS AND RYE: Weekly average price per bushel of corn, rye
oats, and barley at leading markets a/**

Week ended	Corn						Rye		Oats		Barley	
	Chicago				Buenos Aires		Minneapolis		Chicago		Minneapolis	
	No. 3 Yellow		Futures		Futures		No. 2		No. 3 White		No. 2	
	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High b/.....	138	61	133	62	58	68	117	77	55	34	137	83
Low b/.....	108	55	105	56	48	59	95	51	45	28	72	57
			July	July	July	July						
May 21.....	137	59	120	59	55	65	110	58	52	30	109	66
28.....	135	57	123	57	57	62	111	56	52	28	96	63
June 4.....	128	55	122	56	55	59	105	51	50	28	80	57
11.....	122	57	115	57	53	59	98	56	45	28	72	58
18.....	114	58	113	57	51	61	95	57	47	28	79	57

a/ Cash prices are weighted averages of reported sales; future prices are simple averages of daily quotations. b/ For period January 1 to latest date shown.

FEED GRAINS: Movement from principal exporting countries

Commodity and country	Exports for year		Shipments, Week ended a/				Exports as far as reported	
	1935-36	1936-37	June 4	June 11	June 18	July 1 to	1936-37 b/	1937-38 b/
	bushels	bushels	bushels	bushels	bushels		bushels	bushels
BARLEY, EXPORTS: c/	1,000	1,000	1,000	1,000	1,000		1,000	1,000
United States.....	9,886	5,153	181	254	164	June 18	5,243	10,514
Canada.....	6,882	18,880				May 31	18,157	12,009
Argentina.....	9,994	14,668	96	326	188	June 18	14,846	9,953
Danube & U.S.S.R.	41,090	26,315	283	108	25	June 18	26,024	19,800
Total.....	67,852	65,016					64,270	52,276
OATS, EXPORTS: c/								
United States.....	1,429	912	3	21	50	June 18	750	9,867
Canada.....	15,615	10,690				May 31	9,682	7,824
Argentina.....	10,855	24,600	372	1,026	648	June 18	23,951	30,099
Danube & U.S.S.R.	1,390	940	0	0	0	June 18	810	160
Total.....	29,289	37,142					35,193	47,950
CORN, EXPORTS: d/						Oct. 1 to		
United States.....	867	432	2,940	2,734	2,787	June 18	275	90,785
Danube & U.S.S.R.	14,321	25,835	720	703	583	June 18	22,406	8,153
Argentina.....	297,387	401,722	2,838	2,292	1,724	June 18	293,794	87,399
South Africa.....	10,239	23,146	0	0	0	June 18	5,470	20,958
Total.....	322,814	451,135					321,945	207,295
United States imports.....	21,089	103,643				Apr. 30	48,547	1,709

Compiled from official and trade sources. a/ The weeks shown in these columns are nearest to the date shown. b/ Preliminary. c/ Year beginning July 1. d/ Year beginning October 1.

EXCHANGE RATES: Average weekly and monthly values in New York of specified currencies, June 18, 1938, with comparisons a/

Country	Monetary unit	Month					Week ended		
		1936	1937	1938			1938		
		May	May	Mar.	Apr.	May	June 4	June 11	June 18
		Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina..	Paper peso.	33.11	33.93	33.23	33.21	33.12	32.98	33.03	33.14
Canada.....	Dollar.....	99.81	100.15	99.72	99.45	99.18	98.89	98.76	98.91
China.....	Shang. yuan	29.69	29.80	28.22	26.91	23.80	21.14	19.49	17.56
Denmark....	Krone.....	22.13	22.05	22.25	22.24	22.17	22.08	22.12	22.19
England....	Pound.....	496.97	493.99	498.45	498.12	496.73	494.66	495.43	496.98
France.....	Franc.....	5.53	4.48	3.12	3.10	2.81	2.77	2.72	2.79
Germany....	Reichsmark.	40.28	40.17	40.24	40.20	40.16	40.14	40.19	40.37
Italy.....	Lira.....	7.26	5.36	5.26	5.26	5.26	5.26	5.26	5.26
Japan.....	Yen.....	29.08	28.78	28.86	29.01	28.94	28.31	28.26	28.95
Mexico.....	Peso.....	27.73	27.75	25.60	23.11	22.27	21.03	21.04	20.87
Netherlands	Guilder....	67.63	54.94	55.56	55.56	55.35	53.17	55.28	55.47
Norway.....	Krone.....	24.97	24.32	25.04	25.03	24.93	24.25	24.59	24.97
Sweden.....	Krona.....	25.62	25.43	25.67	25.67	25.60	25.50	25.54	25.62
Switzerland	Franc.....	32.39	22.27	23.04	22.99	22.84	22.77	22.81	22.95

Federal Reserve Board. a/ Noon buying rates for cable transfers.

WHEAT, INCLUDING FLOUR: Shipments from principal exporting countries, as given by current trade sources, 1935-36 to 1937-38

Country	Total shipments		Shipments 1938, week ended			Shipments July 1-June 18	
	1935-36	1936-37	June 4	June 11	June 18	1936-37	1937-38
	bushels	bushels	bushels	bushels	bushels	bushels	bushels
	1,000	1,000	1,000	1,000	1,000	1,000	1,000
North America a/.....	220,464	225,902	3,904	5,277	3,306	223,272	179,939
Canada, 4 markets b/...	246,199	194,531	4,260	1,503	1,468	191,572	85,624
United States c/.....	7,219	10,049	1,471	1,581	1,008	9,646	20,902
Argentina.....	78,312	164,678	1,424	1,034	2,171	152,778	61,086
Australia.....	110,376	105,836	2,036	4,365	1,431	101,796	122,588
U.S.S.R.....	29,024	83	160	430	232	88	41,240
Danube and Bulgaria d/.	8,312	65,544	176	24	328	64,366	36,304
British India.....	e/ 2,556	e/ 14,674	576	312	544	11,920	14,090
Total f/.....	449,344	576,722				569,222	455,247
Total European shipments a/.....	360,274	484,600	6,472			454,006	367,880
Total ex-European shipments a/	131,760	127,192	2,032			120,248	91,656

Compiled from official and trade sources. a/ Broomhall's Corn Trade News.

b/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.

c/ Official reports received from 16 principal ports, only. d/ Black Sea shipments only. e/ Official. f/ Total of trade figures includes North America as reported by Broomhall. g/ To June 4.

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